



County of Los Angeles
CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

September 27, 2010

To: Supervisor Gloria Molina, Chair
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

MOTION TO SEND A FIVE-SIGNATURE LETTER TO THE SECRETARY OF THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT TO REQUEST ADOPTION OF REVISIONS TO THE MCKINNEY-VENTO FUNDING FORMULA; SEND COPIES TO THE LOS ANGELES COUNTY CONGRESSIONAL DELEGATION; AND TO SIGN SUPPORT LETTER PREPARED BY THE UNITED WAY OF GREATER LOS ANGELES (ITEM NO. 6 – AGENDA OF SEPTEMBER 28, 2010)

Item No. 6 on the September 28, 2010 Agenda is a motion by Supervisor Yaroslavsky to: 1) direct the Executive Officer of the Board of Supervisors to send a five-signature letter to the Secretary of the U.S. Department of Housing and Urban Development (HUD) to request the adoption of two major revisions to the McKinney-Vento funding formula to include the three key factors directly related to homelessness: 1) poverty, availability of affordable housing, and overcrowded housing, and create one formula for all metropolitan regions rather than continuing to use multiple formulas; 2) direct the Executive Officer of the Board of Supervisors to send copies of the five-signature letters to the Los Angeles County Congressional Delegation; and 3) sign and join in support of a sign-on letter prepared by United Way of Greater Los Angeles. This sign-on letter is supported by the City of Los Angeles and many community based organizations that serve the homeless in the County.

On May 20, 2009, President Obama signed into law the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009. The HEARTH Act amends and reauthorizes the McKinney-Vento Homeless Assistance Act which provides funding for HUD's major grant programs that fund housing and services for the homeless. HUD distributes four homeless assistance grants annually to states, metropolitan areas, counties, nonprofit organizations, and public housing authorities. Funding for the Emergency Shelter Grants program is allocated on a formula basis using the

"To Enrich Lives Through Effective And Caring Service"

***Please Conserve Paper – This Document and Copies are Two-Sided
Intra-County Correspondence Sent Electronically Only***

Each Supervisor
September 27, 2010
Page 2

Community Development Block Grant (CDBG) program formula. HUD administers funding for the Supportive Housing Program, the Shelter Plus Care Program and the Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings Program Grants through the Continuum of Care (COC) system. The distribution of COC funding involves both a formula using the CDBG formula and a competitive criterion.

The United Way of Greater Los Angeles (United Way) is recommending that HUD take the opportunity provided by the HEARTH Act to examine revising and updating the funding formulas for allocating McKinney-Vento Homeless Assistance Grants. The United Way indicates that HUD is considering revisions to this formula by May 2011. In order to provide HUD with recommendations, United Way has conducted an extensive review of existing research and data, in collaboration with local and national homeless experts. The analysis demonstrates that the current formulas used by HUD include factors that do not relate to the root causes of homelessness. United Way is recommending that HUD create a single formula for allocation of homeless funding that incorporates three factors directly related to homelessness: 1) poverty; 2) availability of affordable housing; and 3) overcrowded housing.

The Los Angeles Homeless Service Authority (LAHSA) agrees with United Way's position that the current formulas used by HUD include factors that do not relate to the root cause of homelessness. Utilizing a single formula based on poverty, lack of affordable housing, and overcrowded housing would provide the Los Angeles area with a larger percentage share of total funding. The Community Development Commission (CDC) concurs that the recommended changes to add the lack of affordable housing to the funding formula is likely to increase the County's share of McKinney-Vento funds. The CDC also indicates that the recommendation to use the same formula for all states would ensure a more equitable distribution. The CDC supports the funding formula recommendations proposed by the United Way.

Support for this motion is consistent with existing Board approved policies to support proposals which would more equitably distribute McKinney-Vento Homeless Assistance Act funding based on relative need and to support proposals which would provide the County a greater share of total available Federal funding.

WTF:RA
MT:LY:sb

c: Executive Office, Board of Supervisors
County Counsel